

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION**

Plaintiff,

THE HEARTLAND GROUP VENTURES, LLC; HEARTLAND PRODUCTION AND RECOVERY LLC; HEARTLAND PRODUCTION AND RECOVERY FUND LLC; HEARTLAND PRODUCTION AND RECOVERY FUND II LLC; THE HEARTLAND GROUP FUND III, LLC; HEARTLAND DRILLING FUND I, LP; CARSON OIL FIELD DEVELOPMENT FUND II, LP; ALTERNATIVE OFFICE SOLUTIONS, LLC; ARCOOIL CORP.; BARRON PETROLEUM LLC; JAMES IKEY; JOHN MURATORE; THOMAS BRAD PEARSEY; MANJIT SINGH (AKA ROGER) SAHOTA; and RUSTIN BRUNSON,

and

Relief Defendants.

**RECEIVER’S REPORT REGARDING DISPOSITION OF
AGUSTA SPA MODEL A109S, REGISTRATION NO. N709DM, SERIAL NO. 22043**

Deborah D. Williamson, in her capacity as the Court-appointed Receiver (the “Receiver”) for the Receivership Parties (as defined in the Court’s December 2, 2021 *Order Appointing Receiver* [ECF No. 17] (the “Receivership Order”)) and receivership estates (collectively, the “Estates”) in the above-captioned case (the “Case” or “Receivership”), hereby files this *Receiver’s Report Regarding Disposition of Agusta SPA Model A109S, Registration No. N709DM, and Serial No. 22043* (the “Report”).¹

I. BACKGROUND

1. On December 1, 2021 (the “Application Date”), the Securities and Exchange Commission (the “SEC” or the “Commission”) filed its *Emergency Motion for a Temporary Restraining Order and Emergency Ancillary Relief* [ECF No. 3] which included an application for the appointment of a receiver for the Receivership Parties.

2. On December 2, 2021, this Court determined that entry of an order appointing a receiver over the Receivership Parties was both necessary and appropriate to marshal, conserve, hold, and operate all of the Receivership Parties’ assets (the “Receivership Assets”) pending further order of this Court. Accordingly, the Court entered the Receivership Order on December 2, 2021, appointing Deborah D. Williamson as the Receiver over the Estates in this Case

¹ Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Receivership Order or the Aircraft Order, as applicable.

[ECF No. 17]. That same day, the Court entered the *Order for Temporary Restraining Order and Other Emergency Relief* [ECF No. 12], and the *Asset Freeze Order* [ECF No. 14].

3. On February 14, 2022, the Receiver filed the *Receiver's Motion for Authority to Consummate Sales of Aircraft or, In the Alternative, to Approve Procedures and Authorize Sale of Aircraft* [ECF No. 131] (the "Aircraft Motion"), requesting Court approval of the procedures and sale of certain aircraft, including the Agusta SPA Model A109S (the "Helicopter"), that constitute Receivership Assets.

4. On February 18, 2022 Defendant Roger Sahota ("Roger") filed his Objection [ECF No. 141] (the "Objection"), opposing the relief requested by the Receiver in the Aircraft Motion.

5. On February 28, 2022, the Court entered an Order [ECF No. 145] setting the Aircraft Motion, among other things, for hearing on March 11, 2022, at 1:30 p.m. Central.

6. After considering the Receiver's Motion, Roger's Objection, the arguments of counsel, and the evidence presented at the March 11, 2022 hearing, the Court entered an Order [ECF No. 164] (the "Aircraft Order") granting the Receiver's Aircraft Motion on March 18, 2022.

II. REPORT

7. On April 14, 2022, the Receiver closed on the sale (the "Sale") of the Helicopter. A true and correct copy of the executed Aircraft Bill of Sale is attached hereto as Exhibit A. The Sale gross proceeds to the Receiver for the benefit of the Estates totaled **\$1,550,000.00**.

8. A former pilot of the Helicopter, Casey Pritchard, filed or attempted to file a claim of lien with the Federal Aviation Administration on January 7, 2022, and refiled the same on March 28, 2022, against the Helicopter in the amount of \$29,074.29 (the "Lien"). The Receiver, through her counsel, was informed of the Lien on April 11, 2022. Immediately upon receipt, counsel to the Receiver informed Mr. Pritchard via email of the provisions in the Receivership Order and

requested that he confirm in writing of his (1) adherence to the provisions of the Receivership Order and (2) immediate withdrawal of the Lien.

9. In order to proceed with closing the Sale, the buyer withheld **\$29,074.29** from the Sale gross proceeds in connection with the Lien. The Sale proceeds received by the Receiver at the closing for the benefit of the Estates was **\$1,520,925.70**.

10. The buyer's agent, McAfee & Taft, wired \$1,520,925.70 to the Receivership bank account on April 14, 2022. The Receiver does not anticipate further amounts due from the buyer.

11. As of the filing of this Report, Mr. Pritchard has not responded to the April 11, 2022 correspondence from the Receiver's counsel. Counsel to the Receiver will endeavor to obtain Mr. Pritchard's consensual withdrawal of the Lien or, alternatively, seek resolution from this Court.

Dated: April 18, 2022

Respectfully submitted,

By: /s/ Danielle N. Rushing

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COUNSEL TO RECEIVER

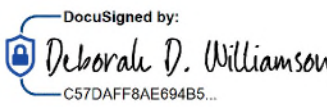
CERTIFICATE OF SERVICE

I hereby certify that on April 18, 2022, the foregoing document was served via CM/ECF on all parties appearing in this case.

/s/ Danielle N. Rushing

Danielle N. Rushing

EXHIBIT A

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|---|---|--|---|
| UNITED STATES OF AMERICA U.S. DEPARTMENT OF TRANSPORTATION FEDERAL AVIATION ADMINISTRATION | | FORM APPROVED OMB NO. 2120-0042 | |
| AIRCRAFT BILL OF SALE | | | |
| FOR AND IN CONSIDERATION OF \$10.00 & o.v.c., THE UNDERSIGNED OWNER(S) OF THE FULL LEGAL AND BENEFICIAL TITLE OF THE AIRCRAFT* DESCRIBED AS FOLLOWS: | | | |
| UNITED STATES REGISTRATION NUMBER | | N 709DM | |
| AIRCRAFT MANUFACTURER & MODEL Agusta SPA model A109S ** | | | |
| AIRCRAFT SERIAL NO. 22043 | | | |
| DOES THIS | | DAY OF | 2022 |
| HEREBY SELL, GRANT, TRANSFER AND DELIVER ALL RIGHTS, TITLE, AND INTERESTS IN AND TO SUCH AIRCRAFT* UNTO: | | | |
| Do Not Write in This Block FOR FAA USE ONLY | | | |
| PURCHASER | NAME AND ADDRESS <small>(IF INDIVIDUAL(S), GIVE LAST NAME, FIRST NAME AND MIDDLE INITIAL)</small> Jetran, LLC 1449 Airpark Horseshoe Bay, TX 78657 | | |
| | DEALER CERTIFICATE NUMBER | | |
| AND TO | ITS SUCCESSORS EXECUTORS, ADMINISTRATORS, AND ASSIGNS TO HAVE AND TO HOLD SINGULARLY THE SAID AIRCRAFT* FOREVER, AND WARRANTS THE TITLE THEREOF: | | |
| IN TESTIMONY WHEREOF I HAVE SET My HAND AND SEAL THIS DAY OF , 2022 | | | |
| SELLER | NAME(S) OF SELLER <small>(TYPED OR PRINTED)</small> | SIGNATURE(S) <small>(IN INK) (IF EXECUTED FOR CO-OWNERSHIP, ALL MUST SIGN)</small> | TITLE <small>(TYPED OR PRINTED)</small> |
| | Deborah D. Williamson, solely in her capacity as receiver in TXND Case No. 4-21CV-1310-O | <div style="text-align: center;">  <small>C57DAFF8AE694B5...</small> </div> <div style="text-align: center; margin-top: 10px;"> x Deborah D. Williamson </div> | Receiver |
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| | | | |
| ACKNOWLEDGMENT (NOT REQUIRED FOR PURPOSES OF FAA RECORDING: HOWEVER, MAY BE REQUIRED BY LOCAL LAW FOR VALIDITY OF THIS INSTRUMENT.) | | | |

* The term "Aircraft" as used herein shall include two (2) Pratt & Whitney Canada model PW207C aircraft engines bearing manufacturer's serial numbers PCE-BH0099 and PCE-BH0100 (described on the pre-populated drop down menu of the International Registry as PRATT & WHITNEY CANADA model PW200 SERIES engines with manufacturer's serial numbers BH0099 and BH0100).

** Not described on the pre-populated drop down menu on the International Registry, but registered by "free text" entry as an AGUSTA model A109S aircraft with manufacturer's serial number 22043